

Preliminary MRCA FY 07-08 Official Budget

Total Budgeted Revenue		47,737,465
Personnel	8,141,164	
Contract Services	1,371,000	
Operating Expenses	2,974,267	
Operating Grants	40,000	
Land & Improvement	33,787,429	
Equipment Costs	1,366,625	
Total Interest Expense	56,980	
Total Budgeted Expenses		47,737,465

Mountains Recreation and Conservation Authority
2007-2008 Preliminary Budget by Account Group

Group Account Name	2006-2007 Final budget	06/07 Actual 11.5 months	2007-2008 Preliminary	Notes
Interest Earnings	-	49,168	-	1, A
Garden Tours	-	(476)	-	
Conference and Meetings	160,000	130,707	275,000	B
Special Events	577,500	640,037	682,500	
Fees-Filming	340,000	1,029,082	782,747	2
Fees-Parking	200,250	277,965	309,607	
Leases-Land	267,000	305,532	264,000	
Leases-Building	543,800	625,727	553,800	
Leases-Antenna	180,000	165,379	100,000	C
Citations	750,000	501,177	1,100,000	3, D
SMMC Grants	9,080,367	5,133,816	30,297,094	4, E
Other Government Grants	12,587,699	6,368,949	8,065,826	5, F
Mitigation Revenue	1,563,290	1,153,903	1,074,736	6
Gov't Agency Contracts	5,683,261	2,328,135	3,825,771	7, G
Donations	180,915	196,094	-	H
Sale of Assets	306,680	511,890	-	8, I
Preservation Asses. District	480,310	165,571	149,495	9
Miscellaneous Revenue	4,000	485	4,000	
Carryover Funds	578,819	-	252,889	
Rounding	5	-	-	
TOTAL REVENUE	33,483,896	19,583,141	47,737,466	

Notes / Variance Analysis of Selected REVENUE Items (10% or \$100,000 tolerance threshold)

2006-07 Final Budget vs. 06/07 Actual 11.5 months:

- | | |
|--------------------------------------|--|
| (1) Interest Earnings | MRCA no longer receives advance funds for its grant expenditures. As a result, no interest revenue is budgeted for the fiscal year. The \$50k in earnings in FY06/07 is interest earned on operating capital. invested in LAIF |
| (2) Fees - Filming | FY 06-07 turned out to be a record year for filming, including several long premier movie events. |
| (3) Citations | Revenue is down in FY06/07 due to several large checks from processing agencies not yet received as of June 15. |
| (4) SMMC Grants | Revenue is lower than expected as a result of several large projects (Vista Hermosa, Tujunga Wash, and Confluence) not completed during FY06/07. |
| (5) Other Government Grants | Revenue is lower than expected as a result of several large projects (Vista Hermosa, Tujunga Wash, and Confluence) not completed during FY06/07. |
| (6) Mitigation Revenue | This item was over-budgeted on the FY06/07 Final Budget. |
| (7) Gov't Agency Contracts | Projects related to several FEMA funded grants were not completed during FY06/07. |
| (8) Sale of Assets | \$205k of additional revenue was generated in FY06/07 as the result of sale of antenna tower easements. |
| (9) Preservation Assessment District | This item was over-budgeted on the FY06/07 Final Budget. |

06/07 Actual 11.5 months vs. 07/08 Preliminary Budget:

(A) Interest Earnings	MRCA no longer receives advance funds for its grant expenditures. As a result, no interest revenue is budgeted for the fiscal year.
(B) Conference and Meetings	Increase in FY07/08 budget is related to King Gillette Ranch coming on-line this year.
(C) Leases - Antenna	Revenues are reduced as a result of selling of certain antenna easements in FY06/07.
(D) Citations	Citation revenue is projected to increase as a result of new, expanded enforcement programs on-line in FY07/08.
(E) SMMC Grants	Increases are the result of full implementation of all Prop12/40/50 projects (\$19 million) and new Prop 84 projects (\$11 million)
(F) Other Government Grants	Increase in FY07/08 budget reflects estimated completion of the Vista Hermosa project.
(G) Gov't Agency Contracts	Increase in FY07/08 budget reflects estimated completion of all FEMA related projects.
(H) Donations	Management has elected not to budget any expected revenue from donations in FY07/08.
(I) Sale of Assets	Management has elected not to budget any expected revenue from asset sales in FY07/08.

Mountains Recreation and Conservation Authority
2007-2008 Preliminary Budget by Account Group

Group Account Name	2006-2007 Final budget	06/07 Actual 11.5 months	2007-2008 Preliminary	Notes
Salaries and Wages	3,799,344	3,678,216	4,870,197	A
Payroll Benefits	2,475,821	1,894,825	3,270,967	1, B
Contract Services	4,102,309	2,634,127	1,371,000	2, C
General Office	153,255	128,897	116,850	
Telephone and Data Services	167,341	165,091	178,950	
Legal Notices/Filing Fees	62,800	28,696	15,600	3
Travel, Per Diem and Mileage	42,600	33,935	53,800	
Interpretive Supplies	9,900	11,453	38,000	D
Training	42,842	20,470	87,043	E
Misc. Operating /Other	74,250	12,123	39,169	4
Insurance	686,271	568,765	723,250	5, F
Bank Service Charges	25,000	22,403	25,000	
Marketing and Promotion	46,245	61,118	53,650	
Uniforms and Operational Supplies	102,360	104,703	66,050	G
Maintenance	436,063	729,143	568,605	6, H
Fuel	310,744	244,971	390,000	7, I
Transportation Charges	150,600	20,613	99,600	8, J
Utilities	397,806	556,011	518,700	9, K
 Grants - MRCA	 55,000	 0	 40,000	
 Land Acquisition and Purchase costs	 4,520,000	 787,552	 7,149,000	 10, L
Construction and Improvements	14,933,774	7,699,101	26,638,430	11, M
 Capital Equipment Purchases	 674,571	 552,871	 1,366,625	 12, N
 Debt Service	 215,000	 17,798	 56,980	 13, O
 TOTAL EXPENSES	 <u>33,483,896</u>	 <u>19,972,882</u>	 <u>47,737,466</u>	

Explanations / Variance Analysis of Selected EXPENSE Items (10% or \$25,000 tolerance threshold)

2006-07 Final Budget vs. 06/07 Actual 11.5 months:

- | | |
|-------------------------------|--|
| (1) Payroll Benefits: | \$500k savings due to lower than expected worker's compensation rates and lower rate of paid leave redemption. |
| (2) Contract Services | \$1,400k reduction due to various budgeted grant -funded projects not constructed or implemented in FY06/07. |
| (3) Legal Notices/Filing Fees | \$35k of expenses related to costs associated with land purchases were re-stated as 'Land Acquisition and Purchase costs'. |
| (4) Misc. Operations / Other | FY06/07 expenses are \$60k lower than budget as a result of better classification of expense items. |
| (5) Insurance | FY06/07 expenses are \$120k lower than budget as a result of lower than expected liability insurance costs. |
| (6) Maintenance | FY06/07 Maintenance costs are significantly above budget as a direct result of expenses incurred during the 'Spring 2007 Fire Prevention Project' approved by the SMMC Board at its April, 2007 meeting. |

Mountains Recreation and Conservation Authority
2007-2008 Preliminary Budget by Account Group

(7) Fuel	FY06/07 fuel expenses are \$66k lower than budget as a result of budgeted fuel costs at \$3.50 per gallon for the FY averaged only \$3.00.
(8) Transportation Charges	This line item was budgeted to reflect charges associated with the Park Link Shuttle program. Expenses were actually charged to the 'Contract Services' account in FY06/07.
(9) Utilities	Garbage removal was under-estimated by \$100k on the FY06/07 budget.
(10) Land Acquisition and Purchase	Land Acquisitions expenses were \$3.8 million below budget as a result of not obtaining all parcels included in the FY06/07 budget.
(11) Construction and Improvements	Construction and Improvement expenses were \$7.3 million below budget as a result of large projects (Vista Hermosa and Confluence) not completed during FY06/07
(12) Capital Equipment	\$120k of budgeted construction equipment was not purchased in FY06/07.
(13) Debt Service	As a result of effective cash flow management, only \$18k of the budgeted amount of \$215k for debt service was spent in FY06/07.

06/07 Actual 11.5 months vs. 07/08 Preliminary Budget:

(A) Salaries and Wages:	\$1,200k increase due to (1) addition of 20 FTEs due to growth - \$1,000k (2) - normal merit increases - \$200k
(B) Payroll Benefits	\$900k increase associated with increase in Salaries and Wages, Also increases expected in health insurance and worker's compensation.
(C) Contract Services	\$1,300k decrease in expense expected in FY07/08 is a result of moving grant-reimbursed expenses to other line items (either Land Acquisition or Construction and Improvements).
(D) Interpretive Supplies	Increase of \$26k (250%) in the FY07/08 budget from FY06/07 actual reflects costs associated with increased emphasis in the Authority's outreach programs for disadvantaged youths.
(E) Training	Increase of \$67k (350%) in the FY07/08 budget from FY06/07 actual reflects costs associated with additional training programs (Fire, interp, emergency response) which will better support the Authority's mission.
(F) Insurance	Insurance costs are expected to increase in FY07/08 as a result of King Gillette Operations being brought on-line.
(G) Uniforms and Operational Supplies	This expense group appears to be under-costed for the 07/08 FY Preliminary budget by about \$40k, and will be reviewed for possible increase on the Final budget.
(H) Maintenance	The maintenance expense budget for FY07/08 is below the actual spent during FY06/07 as the Authority does not expect to have any 'extra-ordinary' brushing expenses this year. In addition, \$100k in expenses are included in the FY07/08 budget for King Gillette Ranch maintenance.

Mountains Recreation and Conservation Authority
2007-2008 Preliminary Budget by Account Group

(I) Fuel	\$120k increase due to estimated increase of fuel prices to \$4.00 per along with increased usage due to growth in FTE.
(J) Transportation Charges	This item will be reviewed for the Final budget as some of the Park Link Shuttle contract expenses may be listed here in error.
(K) Utilities	This expense group appears to be under-costed for the 07/08 FY Preliminary budget by about \$90k, and will be reviewed for possible increase on the Final budget.
(L) Land Acquisition and Purchase	Increase of \$6.4 million from FY06/07 actual to FY07/08 Preliminary is fully funded by grants from State bond propositions 40,50, and 84, along with Los Angeles County proposition "A" excess funds.
(M) Construction and Improvements	Increase of \$19.0 million from FY06/07 actual to FY07/08 Preliminary is fully funded by grants from State bond propositions 40,50, and 84, along with Los Angeles County proposition "A" excess funds.
(N) Capital Equipment Purchases	Increase of \$800k in FY07/08 preliminary budget over FY06/07 actual represents increases in the following areas: Fire related equipment \$525k, autos \$175k and computer equipment \$100k.
(O) Debt Service	Increase of \$39k in interest expense represents expected 'carrying' costs by MRCA to support up-fronting costs on major construction projects planned during FY07/08.

MRCA Preliminary Budget by Project
Fiscal Year 2007-2008

Project Name	Division	TYPE	Project	Total Budgeted Revenue	Total Budgeted Expense
Preservation Assessment District 1- Administration	710	pad	7300	24,748	24,748
Preservation Assessment District 1- F&M Brushing	765	pad	7300	50,000	50,000
Preservation Assessment District 2- Administration	710	pad	7301	24,748	24,748
Preservation Assessment District 2- F&M Brushing	765	pad	7301	50,000	50,000
RTP- Bus Program	770	contract	1505	25,000	25,000
LAUSD- Camp Programs	770	contract	1507	50,001	50,001
BHC- Technical Assistant	710	contract	1514	96,327	96,327
SCC- Ballona Creek Ranger Program	760	contract	1565	50,000	50,000
SMBRF- Ballona Creek Watershed Coordinator	720	contract	1604	108,000	108,000
NPS Brushing	765	contract	5907	47,000	47,000
NHPA- Whittier Open Space Mngmnt O&M	760	contract	7005	108,766	108,766
NHPA- Puente Hills Open Space Mngmnt O&M	760	contract	7005	237,578	237,578
Sanitation District O&M	760	contract	7005	39,819	39,819
NHPA- Seventh Street Trailhead	760	contract	7005	8,608	8,608
SCC- F&M Coastal Conservancy	765	contract	7005	8,000	8,002
RMC-ProjMngmt Serv.Tech Assist FY 07/08	710	contract	7010	31,878	31,878
RMC-ProjMngmt Serv. Cap Projects FY 07/08	710	contract	7010	251,912	251,912
WCA- RMC El Canto Ranger Patrol 07/08	760	contract	7011	41,475	41,475
WCA- RMC Duck Farm Program 07/08	760	contract	7011	46,903	46,903
Prop K- F&M Upper Mandeville	765	grant	1506	20,000	20,000
CalTrans- Confluence Cap Imprv.	720	grant	1555	260,000	260,000
CalTrans- Confluence PP&D	720	grant	1555	100,000	100,000
DPR-Prop 12- Confluence Park	720	grant	5868	2,730,000	2,730,000
NPS- WODOC	770	grant	5907	218,000	218,000
NPS- Park Link Shuttle 350K	770	grant	5907	71,000	71,000
FEMA	729	grant	6500	1,256,523	1,256,523
Prop A- O&M	765	grant	9051	380,000	380,000
Prop A O&M	780	grant	9051	1,203,121	1,203,121
Prop A- Capital	720	grant	9101	3,000,000	3,000,000
Deerlake Highlands/Santa Susanas Mitigation	760	mitigation	7510	60,000	60,000
Mitiation Fees (Coastal)	720	mitigation	7515	429,000	429,000
Mitigation Fees (other)	720	mitigation	7515	585,736	585,736

MRCA Preliminary Budget by Project
Fiscal Year 2007-2008

Project Name	Division	TYPE	Project	Total Budgeted Revenue	Total Budgeted Expense
General Operations	all	operations	5555	4,268,372	4,268,372
River Ranger Program Donation	770	operations	9001	57,858	57,858
Prop 12- Arroyo Seco SMM868	720	smmc	5810	3,250,000	3,250,000
Prop 12- Emerg. Response SMM5017	720	smmc	5810	250,000	250,000
Prop 12- Upper Santa Clarita Tax Defaults	720	smmc	5810	150,000	150,000
Prop 12- Soledad Canyon	720	smmc	5810	124,000	124,000
Prop 40- LA River and Center & Gardens SMM6116-1	720	smmc	6100	100,000	100,000
Prop 40- Interpretation	770/780	smmc	6100	300,930	300,930
Prop 40- Westridge Trail PP&D SMM5035	720	smmc	6100	25,000	25,000
Prop 40- PP&D SMM0607	720	smmc	6100	350,000	350,000
Prop 40- Franklin Canyon Improvements SMM0655	720	smmc	6100	175,000	175,000
Prop 40- MCO/Resource SMM0606	720	smmc	6100	400,000	400,000
Prop 40- Trails Restoration SMM0641	720	smmc	6100	150,000	150,000
Prop 40- Lotte Melhorn Overlook - Phase Two SMM0662	720	smmc	6100	15,000	15,000
Prop 40- Ballona Wetlands Interpretation	770	smmc	6100	124,864	124,864
Prop 40- Ballona Wetlands SMM0633	720	smmc	6100	300,000	300,000
Prop 40- Angeles National Forest SMM0632	720	smmc	6100	500,000	500,000
Prop 40- King Gillette Ranch Improvements	780	smmc	6100	150,000	150,000
Prop 40- F&M Trails	765	smmc	6100	74,000	74,000
Prop 40- F&M MCO	765	smmc	6100	300,000	300,000
Prop 50- Pacoima Wash Greenway 8th St PP&D SMM05055	720	smmc	6150	300,000	300,000
Prop 50- Topanga Canyon Surplus Properties SMM0533	720	smmc	6150	110,000	110,000
SMMC Gen Fund CF- Chautauqua Interpretation Program SMM0615	720	smmc	6150	25,000	25,000
Prop50-40-12 West Mulholland Trailhead SMM5054	720	smmc	6150	1,500,000	1,500,000
Prop 50- Bell Creek River Corridor SMM	720	smmc	6150	40,000	40,000
Prop 50- Escondido Ramirez Canyon Improvements SMM6118-1	720	smmc	6150	350,000	350,000
Prop 50- Coastal PP&D	780	smmc	6150	7,524	7,524
Prop 50- Backbone Trail / NPS SMM0623I	720	smmc	6150	50,000	50,000
Prop 50- Alamos Canyon (Donley) Acquisition SMM0671	720	smmc	6150	250,000	250,000
Prop 50- Upper Malibu Canyon (Lincoln/Caplan) Acq. SMM0672	720	smmc	6150	290,000	290,000
Prop 50- Topanga Canyon Small Lots Acquisition SMM0673	720	smmc	6150	100,000	100,000
Prop 50- Vista Hermosa	720	smmc	6150	9,000,000	9,000,000

MRCA Preliminary Budget by Project
Fiscal Year 2007-2008

Project Name	Division	TYPE	Project	Total Budgeted Revenue	Total Budgeted Expense
Prop 50- Chatsworth adj	720	smmc	6150	40,000	40,000
Prop 50- Devils Canyon	720	smmc	6150	335,000	335,000
Prop 50- PP&D SMM0464-3	720	smmc	6150	250,000	250,000
Prop 50- Angeles Forest Wayside	770	smmc	6150	45,796	45,796
Prop 50- King Gillette Ranch Improvements	780	smmc	6150	300,000	300,000
Prop 50- Non-Native Veg mgmt	780	smmc	6150	75,000	75,000
Prop 50- Mentryville	780	smmc	6150	7,524	7,524
Prop 50- PP&D	720	smmc	6150	1,063,266	1,063,266
***Prop 84- Towsley-Mentryville Cap Improvements	729	smmc	6184	711,686	711,686
***Prop 84- SMMC MAP	720	smmc	6184	125,000	125,000
***Prop 84- Topanga Motorway Match	720	smmc	6184	125,000	125,000
***Prop 84- Chatsworth	720	smmc	6184	210,000	210,000
***Prop 84- Vista Hermosa-Restoration and Greening	720	smmc	6184	180,000	180,000
***Prop 84- Corral Canyon	720	smmc	6184	4,000,000	4,000,000
***Prop 84- Temescal Improvements	720	smmc	6184	550,000	550,000
***Prop 84- Topanga Ydvart	720	smmc	6184	175,000	175,000
***Prop 84- King Gillette Ranch	780	smmc	6184	500,000	500,000
***Prop 84- PP&D	710/720	smmc	6184	538,219	538,219
***Prop 84- Resource Protection and Interpretation	760	smmc	6184	450,000	450,000
***Prop 84- River Restoration and Protection	760	smmc	6184	350,000	350,000
***Prop 84- Fuel Hazard Reduction -Major Equipment	760	smmc	6184	500,000	500,000
***Prop 84- Interpretation	710/770	smmc	6184	904,284	904,284
***Prop 84- Fuel Hazard Reduction	765	smmc	6184	1,200,000	1,200,000
***Prop 84- Program of Cont. Improvement	765	smmc	6184	400,000	400,000
TOTAL				47,737,466	47,737,466

*** = New project scheduled to start in FY 07-08